GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:609
ANSWERED ON:28.07.2006
SERVICE TAX COLLECTION
Sugavanam Shri E.G.

Will the Minister of FINANCE be pleased to state:

(a) The amount collected through Service Tax during the last one year;

(b) The names of services which were further included / removed in the Service Tax during the year 2006-07; and

(c) Whether the rate of Service Tax has been increased during the year; and

(d) if so, the details thereof and the revenue expected to be generated through Service Tax during the year?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) The amount of service tax collection during the financial year 2005-06 was Rs. 24,039 crore (provisional), including the service tax pertaining to 2005-06, but actually realized in April, 2006.

(b) Taxable services are specified under section 65(105) of the Finance Act, 1994. Amendments were made in section 65(105) vide clause 68(A) of the Finance Act, 2006. The names of services which have been specified as taxable services vide the Finance Act, 2006, are in Annexure A.

(c)&(d) Yes. The rate of servide tax has been increased from 10% to 12% with effect from 18th April, 2006. The budget extimate for revenue from service tax during the financial year 2006-07 is Rs. 34,500 crore.

ANNEXURE A

S.No. Names of services which have been specified as taxable services under section 65(105) of the Finance Act, 1994, during the year 2006-07

1. Register to an Issue

2. Share Transfer Agent

3. Automated Teller Machine operation, maintenance or management

4. Recovery agent

5. Sale of space or time for advertisement, other than in print media.

6. Sponsorship services, other than sponsorship of sports events.

7. Transport of passengers embarking in India for international journey by air, by other than economy class.

8. Transport of goods in containers by rail, provided by any person otehr than Government Railway

9. Business support service

10. Auctioneers` service

11. Public relations service

12. Ship management service

13. Internet telephony service

14. Transport of persons by cruise ship

15. Credit card, debit card, charge card or other payment card related service.